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**To:** Beck, Nancy [Beck.Nancy@epa.gov]  
**Subject:** Morning Energy: Life comes at you PFAS — Wheeler to wheel and deal on RFS — Hatch Act rehash?

By Kelsey Tamborrino | 07/25/2018 05:42 AM EDT

*With help from Anthony Adragna, Darius Dixon, Eric Wolff, Ben Lefebvre and Alex Guillén*

**LIFE COMES AT YOU PFAS:** EPA will hear today from Pennsylvania residents affected by toxic nonstick chemicals, known as PFAS, at the agency's second public meeting on the topic. EPA has faced considerable backlash following a POLITICO [report](#) detailing how top Trump administration officials sought to block an HHS report that found some PFAS chemicals can pose a danger to sensitive populations at far lower levels than EPA had set as the safety threshold. The report was ultimately [made public](#).

— **Today's "community engagement" meeting** in Horsham, Pa., a suburb of Philadelphia, will feature remarks from Region 3 Administrator Cosmo Servidio and will update residents on ongoing PFAS research, as well as allow local government township officials and water authorities to provide insight, according to the [draft agenda](#). The public is slated to speak beginning at 3:45 p.m. and will likely keep going into the late night. Ahead of the meeting, Servidio wrote an op-ed for [PennLive](#), where he stressed that "PFAS is a national priority." But if today's meeting is anything like last month's in New Hampshire, EPA officials can expect to [hear from](#) residents who want the agency to do more to crack down on the chemicals. Horsham has struggled with PFAS contamination suspected to be linked to firefighting foam used at nearby military installations.

**Sticking point:** Vulnerable Republican Rep. Brian Fitzpatrick, who faces one of the most closely watched races come November, has been particularly critical of the Trump administration's handling of the toxic chemicals. In June, Fitzpatrick — alongside Democratic Rep. [Brendan Boyle](#) — called for former EPA Administrator Scott Pruitt to resign because of the study his administration sought to block. Both Fitzgerald and Boyle, whose districts border each other, have [also called](#) for a national PFAS water standard.

**Boyle — who represents Horsham** — will criticize the federal government for continuing to "study the issue and play whack-a-mole to remediate instances of contamination on a piecemeal basis after the damage has already been done," in a video to be aired at today's meeting, according to a copy shared with ME. Boyle himself will be in D.C. today for House votes.

**WELCOME TO WEDNESDAY!** I'm your host, Kelsey Tamborrino. Bracewell's Frank Maisano was the first to correctly guess that there are nine women represented in the Capitol's National Statuary Hall Collection. For today: What is the largest transcontinental city? Send your tips, energy gossip and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com), or follow us on Twitter [@kelseytam](#), [@Morning\\_Energy](#) and [@POLITICOPro](#).

**WHEELER READY TO WHEEL AND DEAL ON RFS:** Acting EPA Administrator Andrew Wheeler thinks he can bring together the warring factions on the Renewable Fuel Standard and forge a new deal. He told reporters Tuesday that the components of the old deal — a waiver to allow year-round sales of 15 percent ethanol fuel, compliance credits for exported biofuel — would not be implemented without a new package. But he thinks he can bring everyone together and if not make them all happy, then at least "make them all upset in equal amounts." He continued, "I've worked on the RFS program for 20 years, I've worked with all the groups before. I'm talking to everybody, I'm trying to get everyone to tell me what they really need to bring them stability and to make sure we're implementing the RFS program according to the statute."

**SORGHUM GETS RFS PATHWAY:** Wheeler's remarks follow a move Tuesday to clear a path for biodiesel and other fuels made from distilled sorghum oil to qualify for credits under the RFS, Pro's Eric Wolff reports. Wheeler said in a statement that the "approval sets the state for more homegrown fuels under the Renewable Fuel Standard and adds diversity to our mix of biofuels in the U.S." It will add 21 million Renewable Identification Numbers to the program, all of which can be used to comply with the advanced biofuel mandate.

— **RIN focus:** The House Energy and Commerce Environment Subcommittee will hold a hearing this morning on RINs under the RFS that will discuss EPA's involvement and factors influencing the marketplace.

**WHEELER ON WOTUS: SOON:** That's really it. Wheeler told reporters on Tuesday: "That is going through interagency review, hopefully coming for notice and comment soon."

**INTERIOR WON'T MAKE YOU PAY:** The Interior Department will no longer require companies that have damaged public lands during development to pay to replace or maintain other natural areas, a spokeswoman confirmed to Pro's Ben Lefebvre. Spokeswoman Faith Vander Voort said the department isn't revoking existing plans, but instead said the practice known as "compensatory mitigation" will now be voluntary. The change follows widespread changes announced by Interior on how it enforces the Endangered Species Act, Ben reports. The Fish and Wildlife Service will officially post the proposed changes to ESA in the Federal Register today.

**HEY HEY ESA:** Sen. Jim Inhofe said Republicans lost on the push to include into the NDAA conference report an ESA rider that would have limited endangered species protections for the greater sage grouse and lesser prairie chicken, even though he said he used "every bit of influence I had." "I grant you it's probably not the most appropriate place to have it on there," he told reporters. "You can give an argument about training areas — there is a national defense aspect to it — but nobody buys it." Inhofe said one of the four main negotiators strongly opposed the measure's inclusion. He didn't name the person, but House Armed Services ranking member Adam Smith put out a statement highlighting the rider's exclusion from the final report.

**LET'S TALK CAFE:** Wheeler should expect many questions on the administration's looming actions on fuel economy standards at his Senate EPW hearing next week, according to the panel's top Democrat. "He and I've talked about it several times," Tom Carper told reporters, adding he thought it "foolish" to go after California's waiver to set stricter standards.

**About that:** Wheeler said Tuesday that the U.S. needs a single standard for vehicle fuel efficiency, The Associated Press reports. "What we don't want to see is two different standards for the country," Wheeler said, instead calling for a "50-state solution."

**EPA: CARBON NSPS REVISION GOING TO OMB IN AUGUST:** EPA told a court last night that it plans to send a proposed revision of the carbon dioxide rule for future power plants to the Office of Management and Budget next month. EPA did not detail exactly when in August the proposal will go to OMB, but adding two to three months for interagency review, an August delivery puts the proposal's publication in the Federal Register as early as this fall. Unlike the Clean Power Plan, the New Source Performance Standard was never stayed by the courts, and has been in effect since 2015.

**Although the rule's CO2 limits** for new gas-fired power plants were generally seen as achievable with combined-cycle technology, the limit for coal plants required even the most efficient new designs to utilize some level of carbon capture. Republicans and the coal industry balked, arguing that CCS technology is not commercially viable and thus can't be required. Essentially no new coal plants have been built in recent years, and market forces alone could be enough to prevent any utilities from building new ones even if the Trump administration weakens the standard.

**STRAIGHT TO DEBATE:** The Senate voted Tuesday to adopt an amendment to H.R. 6147 (115) — the "minibus" package that includes the Interior-Environment title — that would require a report on DOI facilities

and infrastructure damaged by 2018 volcanic eruptions. The amendment from Democratic Sen. Brian Schatz was adopted 97-1 and follows an eruption last month that damaged the Volcanoes National Park and Volcano Observatory. GOP Sen. Mike Lee was the lone "no" vote. The Senate will continue considering amendments today.

**WATCH THIS SPACE:** Rep. Tom Reed hosted a roundtable Tuesday with fellow Ways and Means Committee Republicans Carlos Curbelo, Darin LaHood and Erik Philip Paulsen, as well as energy industry representatives, in pursuit of a "forward-thinking and tech-neutral energy tax policy," according to his office. Among their goals is ensuring the phase-out of existing energy tax incentives while ensuring energy innovation regardless of fuel source. Reed's office said the session comes on the heels of multiple meetings and conversations with Senate Finance ranking member Ron Wyden on the topic.

**HATCH ACT REHASH?** Interior Secretary Ryan Zinke will make a trip to Montana today, but not without drawing scrutiny from critics who say the visit could violate the Hatch Act barring federal employees from participating in partisan events. Zinke tweeted that he will attend a rally in Billings, Mont., with Vice President Mike Pence. Montana Auditor Matt Rosendale, the GOP candidate running to unseat Democratic Sen. Jon Tester, also posted a tweet — now deleted — promoting his attendance today at an event in Billings also featuring Pence. The sponsoring organization, America First Policies, is a nonprofit created by former Trump campaign aides. Interior's Heather Swift said the Zinke-Pence event in Billings isn't the same as the Rosendale-Pence event in Billings, adding, "It's not a political event and it was approved by the ethics office." America First Policies did not respond to ME's requests for comment. Still, color Rep. Don Beyer, among others, skeptical.

**GETTING THE BANDWIDTH BACK TOGETHER:** Board members of the Utilities Technology Council are swarming Capitol Hill today to press an energy issue flying far below the Beltway radar: the energy needs for radio frequency spectrum. That bandwidth is particularly crucial during grid outages when crews need to coordinate restoration, and is expected to become an increasingly stressful subject as more wireless smart meters and sensors are added to the electric grid. The FCC has primary jurisdiction on how portions of spectrum are doled out, and according to UTC CEO Joy Ditto, the agency hasn't been sympathetic to the communication needs of utilities and other power generators.

"**They don't really differentiate between us** and Joe's pizza place down the street," she told ME. "That's not the way the rest of the government perceives us," she said, given the emphasis the White House and the departments of Energy and Homeland Security have put on protecting critical infrastructure like the electric grid. "Yet, when it comes to this crucial component of our communications systems, we're not treated any differently than anyone else." Federal utilities like the Energy Department's power marketing administrations and the Tennessee Valley Authority are given some priority.

**One of the industry's big concerns** isn't so much that wireless interference will trigger an emergency so much as it could make some of those fancy sensors designed to keep the system operating reliably from sending data at critical times. "You're lacking situational awareness, so if you're lacking something on your system you may not see it," she said. So, during the 30-40 meetings the trade group has lined up with congressional offices, their critical request is that FERC and the FCC talk more often, pursue a memorandum of understanding between the two regulators, and perhaps set up joint technical conferences, Ditto said.

**TEAMWORK!** House Natural Resources Committee leaders Rob Bishop and Raúl Grijalva will unveil a bill this morning that would allot 50 percent of all federal energy revenue not already directed to other purposes toward addressing the national park deferred maintenance backlog, a committee aide told ME. Their legislation would allow up to \$1.3 billion annually toward the National Park Service and Public Lands Restoration Fund for five years and funds would be deposited only after other programs, like the LWCF and GOMESA, receive their allocations. Congress would approve projects annually and private sector donations to the fund would be permitted. The press conference begins at 10:30 a.m. Watch it here.

**GROUPS RALLY AROUND LWCF:** The Hispanic Access Foundation hosts a congressional briefing tonight on the Land and Water Conservation Fund's importance to Latino and urban communities. One of the nation's oldest conservation programs, the LWCF is set to expire in September and has seen support from both sides of the aisle. Colorado Sens. [Michael Bennet](#) and [Cory Gardner](#) will attend the briefing.

**ROADBLOCK AHEAD:** Hopes for a short-term extension of the National Flood Insurance Program could be dashed by Lee, who is refusing to accept the extension, Pro's Zachary Warmbrodt [reports](#). "Sen. Lee believes that another reformless extension would only enable a failed federal program and is looking at options to force reform before the deadline," said the senator's spokesman, Conn Carroll. As Zachary points out, there is broad, bipartisan support in the Senate for extending the program, which is set to expire on July 31.

**MAIL CALL!** The entire Maryland congressional delegation wants EPA to reconsider its denial of a petition requesting relief from out-of-state air pollution. "This air pollution from out-of-state power plants reacts with other atmospheric pollutants to form ozone, and move on the prevailing winds into Maryland," they write. Read it [here](#).

**MOVER, SHAKER:** Former Interior press secretary Heather Swift has been given the title senior adviser to the secretary, department spokesperson Faith Vander Voort told ME. In the new role, Swift "will focus on strategic communications and will continue to participate in media operations," Vander Voort said. Swift will continue to perform the press secretary role until her replacement has been identified, the spokesperson added.

— **Jennifer Jenkins has joined** the American Wind Energy Association to assist in its effort to expand the U.S. market for distributed wind power. Previously, Jenkins was founding executive director of the Distributed Wind Energy Association.

## QUICK HITS

— "Democrats who backed chemical law's reform question EPA pivot," [Bloomberg Environment](#).

— "NPS scraps plan to ban sports on National Mall," [E&E News](#).

— "Turkey vows to keep buying Iranian oil: 'We will not obey,'" [Washington Examiner](#).

— "Silicon Valley to Big Oil: We can manage your data better than you," [The Wall Street Journal](#).

— "The \$3 billion plan to turn Hoover dam into a giant battery," [The New York Times](#).

— "Occidental Petroleum explores sale of pipeline assets, sources say," [Reuters](#).

## HAPPENING TODAY

8:30 a.m. — The U.S. Green Building Council [seminar](#) on "Building Optimization and Demand Management: Reducing Energy Use and Costs at Commercial Buildings," 600 Massachusetts Ave. NW.

9 a.m. — Pew Charitable Trusts [discussion](#) on "Natural Disaster Assistance," 901 E St. NW

9 a.m. — The U.S. Chamber of Commerce Foundation Corporate Citizenship Center [conference](#) on Building Resilience Through Private-Public Partnership, 1615 H St. NW.

9:15 a.m. — House Energy and Commerce Environment Subcommittee [hearing](#) on "Background on Renewable Identification Numbers under the Renewable Fuel Standard," 2322 Rayburn.

10 a.m. — House Science Committee hearing on "James Webb Space Telescope: Program Breach and its Implications, Part 1" 2318 Rayburn.

12 p.m. — The American Council on Renewable Energy ACORE and Bloomberg New Energy Finance webinar on "International Investment in U.S. Markets."

1 p.m. — Center for Climate and Energy Solutions webinar on "How Can Cities Use PPAs to Lock-In Clean Energy Goals?"

2 p.m. — House Natural Resources hearing on "Management Crisis at the Puerto Rico Electric Power Authority and Implications for Recovery," 1324 Longworth.

3:30 p.m. — House Transportation Coast Guard and Maritime Transportation Subcommittee meeting on "Roundtable: Impact of Jones Act on Consumer Prices in Puerto Rico," 2167 Rayburn.

5 p.m. — The Hispanic Access Foundation congressional briefing on the Land and Water Conservation Fund, 106 Dirksen.

## **THAT'S ALL FOR ME!**

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## **Stories from POLITICO Pro**

### **White House, EPA headed off chemical pollution study [Back](#)**

By Annie Snider | 05/14/2018 12:43 PM EDT

Scott Pruitt's EPA and the White House sought to block publication of a federal health study on a nationwide water-contamination crisis, after one Trump administration aide warned it would cause a "public relations nightmare," newly disclosed emails reveal.

The intervention early this year — not previously disclosed — came as HHS' Agency for Toxic Substances and Disease Registry was preparing to publish its assessment of a class of toxic chemicals that has contaminated water supplies near military bases, chemical plants and other sites from New York to Michigan to West Virginia.

The study would show that the chemicals endanger human health at a far lower level than EPA has previously called safe, according to the emails.

"The public, media, and Congressional reaction to these numbers is going to be huge," one unidentified White House aide said in an email forwarded on Jan. 30 by James Herz, a political appointee who oversees environmental issues at the OMB. The email added: "The impact to EPA and [the Defense Department] is going to be extremely painful. We (DoD and EPA) cannot seem to get ATSDR to realize the potential public relations nightmare this is going to be."

More than three months later, the draft study remains unpublished, and the HHS unit says it has no scheduled date to release it for public comment. Critics say the delay shows the Trump administration is placing politics ahead of an urgent public health concern — something they had feared would happen after agency leaders like Pruitt started placing industry advocates in charge of issues like chemical safety.

Sen. Maggie Hassan (D-N.H.) called the delay "deeply troubling" on Monday, urging Pruitt and President Donald Trump "to immediately release this important study."

"Families who have been exposed to emerging contaminants in their drinking water have a right to know about any health impacts, and keeping such information from the public threatens the safety, health, and vitality of communities across our country," Hassan said, citing POLITICO's reporting of the issue. Details of the internal discussions emerged from EPA emails released to the Union of Concerned Scientists under the Freedom of Information Act.

Sen. Jeanne Shaheen, a fellow New Hampshire Democrat, called the delay "an egregious example of politics interfering with the public's right to know. ... [I]t's unconscionable that even the existence of this study has been withheld until now."

The emails portray a "brazenly political" response to the contamination crisis, said Judith Enck, a former EPA official who dealt with the same pollutants during the Obama administration — saying it goes far beyond a normal debate among scientists.

"Scientists always debate each other, but under the law, ATSDR is the agency that's supposed to make health recommendations," she said.

The White House referred questions about the issue to HHS, which confirmed that the study has no scheduled release date.

Pruitt's chief of staff, Ryan Jackson, defended EPA's actions, telling POLITICO the agency was helping "ensure that the federal government is responding in a uniform way to our local, state, and Congressional constituents and partners."

Still, Pruitt has faced steady criticism for his handling of science at the agency, even before the recent spate of ethics investigations into his upscale travels and dealings with lobbyists. In his year leading EPA, he has overhauled several scientific advisory panels to include more industry representatives and recently ordered limits on the kinds of scientific studies the agency will consider on the health effects of pollution.

On the other hand, Pruitt has also called water pollution one of his signature priorities.

The chemicals at issue in the HHS study have long been used in products like Teflon and firefighting foam, and are contaminating water systems around the country. Known as PFOA and PFOS, they have been linked with thyroid defects, problems in pregnancy and certain cancers, even at low levels of exposure.

The problem has already proven to be enormously costly for chemicals manufacturers. The 3M Co., which used them to make Scotchguard, paid more than \$1.5 billion to settle lawsuits related to water contamination and personal injury claims.

But some of the biggest liabilities reside with the Defense Department, which used foam containing the chemicals in exercises at bases across the country. In a March report to Congress, the Defense Department listed 126 facilities where tests of nearby water supplies showed the substances exceeded the current safety guidelines.

A government study concluding that the chemicals are more dangerous than previously thought could dramatically increase the cost of cleanups at sites like military bases and chemical manufacturing plants, and force neighboring communities to pour money into treating their drinking water supplies.

The discussions about how to address the HHS study involved Pruitt's chief of staff and other top aides, including a chemical industry official who now oversees EPA's chemical safety office.

Herz, the OMB staffer, forwarded the email warning about the study's "extremely painful" consequences to EPA's top financial officer on Jan. 30. Later that day, Nancy Beck, deputy assistant administrator for EPA's Office of Chemical Safety and Pollution Prevention, suggested elevating the study to OMB's Office of Information and Regulatory Affairs to coordinate an interagency review. Beck, who worked as a toxicologist in that office for 10 years, suggested it would be a "good neutral arbiter" of the dispute.

"OMB/OIRA played this role quite a bit under the Bush Administration, but under Obama they just let each agency do their own thing...", Beck wrote in one email that was released to UCS.

Beck, who started at OMB in 2002, worked on a similar issue involving perchlorate, an ingredient in rocket fuel — linked with thyroid problems and other ailments — that has leached from defense facilities and manufacturing sites into the drinking water of at least 20 million Americans. Beck stayed on at OMB into the Obama administration, leaving the office in January 2012 and going to work for the American Chemistry Council, where she was senior director for regulatory science policy until joining EPA last year.

Yogin Kothari, a lobbyist with the Union of Concerned Scientists, called Beck's January email "extremely troubling because it appears as though the White House is trying to interfere in a science-based risk assessment."

Environmentalists say such interference was routine during the Bush administration.

"It's why the Obama administration issued a call for scientific integrity policies across the federal government," Kothari said in an email to POLITICO. "Dr. Beck should know firsthand that the Bush administration sidelined science at every turn, given that she spent time at OMB during that time."

Soon after the Trump White House raised concerns about the impending study, EPA chief of staff Ryan Jackson reached out to his HHS counterpart, as well as senior officials in charge of the agency overseeing the assessment to discuss coordinating work among HHS, EPA and the Pentagon. Jackson confirmed the outreach last week, saying it is important for the government to speak with a single voice on such a serious issue.

"EPA is eager to participate in and, contribute to a coordinated approach so each federal stakeholder is fully informed on what the other stakeholders' concerns, roles, and expertise can contribute and to ensure that the federal government is responding in a uniform way to our local, state, and Congressional constituents and partners," Jackson told POLITICO via email.

Pruitt has made addressing per- and polyfluoroalkyl substances, or PFAS, a priority for EPA. The unpublished HHS study focused on two specific chemicals from this class, PFOA and PFOS.

States have been pleading with EPA for help, and experts say that contamination is so widespread, the chemicals are found in nearly every water supply that gets tested.

In December, the Trump administration's nominee to head the agency's chemical safety office, industry consultant Michael Dourson, withdrew his nomination after North Carolina's Republican senators said they would not support him, in large part because of their state's struggles with PFAS contamination. Dourson's previous research on the subject has been criticized as too favorable to the chemical industry.

Shortly after Dourson's nomination was dropped, Pruitt announced a "leadership summit" with states to discuss the issue scheduled for next week.

In 2016, the agency published a voluntary health advisory for PFOA and PFOS, warning that exposure to the chemicals at levels above 70 parts per trillion, total, could be dangerous. One part per trillion is roughly the equivalent of a single grain of sand in an Olympic-sized swimming pool.

The updated HHS assessment was poised to find that exposure to the chemicals at less than one-sixth of that level could be dangerous for sensitive populations like infants and breastfeeding mothers, according to the emails.

Dave Andrews, a senior scientist with the Environmental Working Group, said those conclusions line up with recent studies on the health effects of PFAS.

"They are looking at very subtle effects like increased risk of obesity for children exposed in womb, lowered immune response, and childhood vaccines becoming not as effective," Andrews said.

The HHS document at issue is called a toxicological profile, which describes the dangers of a chemical based on a review of previous scientific studies. It would carry no regulatory weight itself, but could factor into cleanup requirements at Superfund sites.

EPA scientists, including career staffers, were already talking with the HHS researchers about the differences in their two approaches to evaluating the chemicals when officials at the White House raised alarm in late January, the emails show. Those differences, according to the correspondence, stemmed from the agencies' use of different scientific studies as a basis, and from taking different approaches to accounting for the harm that the chemicals can do to the immune system — an area of research that has burgeoned in the two years since EPA issued its health advisory.

Enck, the former EPA official, said she sees one troubling gap in the emails: They make "no mention of the people who are exposed to PFOA or PFOS, there's no health concern expressed here."

*To view online [click here](#).*

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**Trump administration finally issues report on toxic chemicals** [Back](#)

By Annie Snider | 06/20/2018 01:21 PM EDT

The Trump administration finally released a delayed report on toxic water contamination on Wednesday, months after White House officials expressed fears it would spark a "public relations nightmare" if released.

As expected, the report by the Department of Health and Human Services shows that toxic nonstick chemicals that have leaked into communities' drinking water supplies endanger human health at levels the EPA had previously deemed safe.

**POLITICO** first reported last month on the delay in publishing the report, which followed an intervention by White House and EPA officials, including EPA Chief of Staff Ryan Jackson.

The 852-page scientific draft [assessment](#) of so-called PFAS chemicals, posted Wednesday by the Agency for Toxic Substances and Disease Registry, details how people are exposed to the chemicals and the health risks the chemicals pose to populations ranging from infants and breastfeeding mothers to adult males. It finds that the



chemicals can pose risks to the most vulnerable populations at levels lower than those EPA had deemed safe in its 2016 health advisory for two of the chemicals, known as PFOA and PFOS.

The chemicals at issue in the HHS study have long been used in products such as Teflon and firefighting foam, and are contaminating water systems around the country. They have been linked to thyroid defects, pregnancy problems and certain cancers, even at low levels of exposure.

The problem has already proved to be enormously costly for chemicals manufacturers. The 3M Co., which used them to make Scotchgard, paid more than \$1.5 billion to settle lawsuits related to water contamination and personal injury claims.

EPA will hold its first community meeting on PFAS in New Hampshire next week.

*To view online [click here](#).*

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### **EPA gets an earful on chemical contamination [Back](#)**

By Annie Snider | 06/26/2018 04:48 PM EDT

EXETER, N.H. — Andrea Amico agonized over where to send her children to daycare, but only after they had been attending the facility on a former Air Force base near here for years did she learn they had been drinking toxic water the whole time.

Amico was one of roughly 50 residents who urged EPA officials this week to do more to crack down on the chemicals that have leached into groundwater from industrial facilities, Superfund sites and military installations like the former Pease Air Force Base, where the perfluorinated chemical contamination that affected Amico's children was discovered in 2014. Hundreds of people in the audience for EPA's first community meeting on the subject were brimming with frustration and impatience with the federal government's plodding response to the water contamination crisis as the meeting's first day extended an hour past its scheduled 10 p.m. cutoff Monday.

"I live with guilt every single day," Amico told federal regulators at the public meeting, recalling when she learned the water at her children's daycare at one point contained 35 times as much of the chemicals as EPA says is safe.

The two-day meeting in a high school auditorium, 15 miles from the former base, was EPA's first major effort to build trust with communities affected by widespread contamination from nonstick chemicals called PFAS, which Administrator Scott Pruitt has named a top priority. Already frustrated by the government's slow response, many residents' trust was shattered after [POLITICO reported](#) that the Trump administration sought to block a key health study on the chemicals and EPA blocked all but one community activist from attending leadership summit in Washington last month.

An advocacy group Amico helped launch convinced state regulators to test the blood of thousands of people who spend their days at the industrial park built where Pease once stood, tests that have shown elevated levels of the chemicals in both children and adults. Amico said her pediatrician can't tell her much about what those results will mean to her children's future, but every time her 5- or 7-year-old get sick, she wonders: Was it

because of the toxic water they drank? She says she has no idea how she will someday tell them about their poisoning.

"I am asking tonight that EPA not give these chemicals the benefit of the doubt; instead, please give public health the benefit of the doubt," Amico pleaded to the federal officials here.

The Trump administration's delayed release of the HHS study increasing warnings about the chemicals demonstrated the "lack of transparency from government agencies" that made residents distrustful of them, Amico said. "It doesn't foster a good feeling to community members when it feels like our government is holding things back from us, especially critical information that could impact public health and impact a huge issue that we're all facing," she said. "Transparency is huge."

Pruitt's emissary to this week's meeting, New England Regional Administrator Alex Dunn, emphasized that agency officials had arrived with open ears.

"We are here to listen," Dunn said opening the meeting Monday evening. "Your voices will not only be heard at the EPA New England regional level, but at the national level."

Pruitt has vowed to act on the chemicals, including deciding whether they warrant regulation under the Safe Drinking Water Act and the Superfund law. But so far, the administrator's handling of chemicals has largely trended away from strict regulation. After Pruitt tapped a former top industry official to lead EPA's chemical safety office, the agency has taken controversial, industry-backed interpretations of a major new toxic chemicals law that could be key in dealing with PFAS. And just last week EPA opted not to issue a new spill prevention rule that the agency began work on in the wake of a massive chemical spill in West Virginia in 2014.

Many activists are skeptical that Pruitt will follow through on his promises given what they see as efforts to undermine key environmental laws and roll back major regulations.

"You can't regulate based on something whose foundations are being actively dismantled," said Kristen Mello, a community activist from Westfield, Mass., where the chemicals have entered the water supply from a nearby National Guard base.

The public meeting drew residents from New Hampshire, Vermont, Massachusetts, Rhode Island and Maine who repeatedly expressed frustration with the sparse and conflicting information about the dangers of the chemicals, concerns about the costs of treating contaminated drinking water and who will pay for it — and, above all, a call for swift and aggressive action to limit the chemicals' use and clean up water supplies.

"The trend line seems clear to me: every new report lowers the level," said David Bond, a resident of Bennington, Vt., and professor at Bennington College who has led local work on the chemicals. "This is unacceptable. If the trend line is clear, let's just cut through the nonsense," he said to applause from the crowd.

And while many residents say Pruitt has laid out the right first steps, there are already signals that they may be disappointed in the end.

Under the Safe Drinking Water Act, the agency must first decide whether a contaminant is widespread and dangerous enough to warrant regulation — a decision that's not a foregone conclusion, even with the two most well-understood chemicals the agency is considering, PFOA and PFOS. If the answer is yes, then EPA must set a regulation based not just on health protection, but also on the costs and feasibility of requiring drinking water utilities to filter their water to that level.

State officials say there's a good chance that once the burden on utilities is considered, the legal limit would be set higher than EPA's health advisory level of 70 parts per trillion. Leading community groups like Amico's,

meanwhile, are calling for a 1 part per trillion limit. The HHS study, which the Trump administration finally released last week, said exposure at levels above 12 parts per trillion in drinking water could pose health risks to vulnerable populations.

Moreover, a large swath of New England residents wouldn't even be covered by a Safe Drinking Water Act limit, since the 1974 law doesn't apply to private drinking wells. In Maine, more than half of the state's population is on private wells, the state's deputy environment protection commissioner said.

Another major point that residents and state officials emphasized was that the chemicals should be handled as a family, rather than one by one. While scientists and regulators know the most about the dangers of PFOA and PFOS, those are just two of thousands of PFAS chemicals, many of which are still in active use and about which little is known.

"If we continue to think about this PFAS compound by PFAS compound, we'll never get there; we will spend thousands of years trying to figure this out," said Peter Walke, deputy secretary of Vermont's Agency of Natural Resources. "We've got to figure out a way to think about this as a class."

But that's a move not likely to go over well with the chemicals industry. The American Chemistry Council has supported Pruitt's plans to evaluate PFOA and PFOS, which are no longer manufactured in the U.S., but has argued that the substances companies replaced those chemicals with are safe, even though they are members of the same chemical family.

Peter Grevatt, the head of EPA's groundwater and drinking water office who is spearheading the agency's PFAS work, said EPA is considering the chemicals as a class for research purposes. But, he said, it is too soon to know whether that will translate into regulations.

"I would say it's a stepwise process. We want to make sure that we understand the properties of these compounds before we launch into a regulatory process, at least in terms of looking at a class," he told POLITICO ahead of the meeting. "Those are complex questions; we want to make sure we understand them well rather than just jumping into something."

Although residents and state officials know that the federal process will take years, they argued that it is vital for EPA to take the lead, rather than leave action to the states. The different approaches taken by states just in New England have already caused consternation, as Vermont has set a drinking water standard for PFOA and PFOS that is less than a third of EPA's recommended limit, which other states in the region are largely following.

And different approaches by the states in the past helped cause some of the region's problems in the first place.

For years, residents of Bennington, Vt., complained about air pollution coming from the Chemical Fabrics Corp. facility, where Teflon-coated fiberglass fabrics used on sports facility domes were made. In the early 2000s, the state began probing the company for more information about its emissions. Soon thereafter, the company was purchased by Saint-Gobain Performance Plastics and moved its headquarters across the border to Merrimack, N.H. That community is now also grappling with high levels of PFAS contamination.

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## **EPA approves biodiesel from sorghum for RFS compliance** [Back](#)

By Eric Wolff | 07/24/2018 05:26 PM EDT

EPA today cleared the way for biodiesel and other fuels made from distilled sorghum oil to qualify for credits under the Renewable Fuel Standard.

"Today's approval sets the state for more homegrown fuels under the Renewable Fuel Standard and adds diversity to our mix of biofuels in the U.S.," acting EPA Administrator Andrew Wheeler said in a statement.

Wheeler signed the rule today in a ceremony at EPA Headquarters attended by Sen. [Deb Fischer](#) (R-Neb.), whose state produces sorghum, a grain primarily exported to other countries.

The move will add 21 million Renewable Identification Numbers to the program, all of which can be used to comply with the advanced biofuel mandate.

The move was cheered by ethanol groups who were pleased to see a key regulatory hurdle cleared.

Sorghum farmers were caught in the trade war cross-fire when in April China threatened to impose a 179 percent anti-dumping tariff, but China's commerce industry backed off in May.

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## **Interior to stop asking companies to compensate for damage to public lands** [Back](#)

By Ben Lefebvre | 07/24/2018 03:59 PM EDT

The Interior Department will stop requiring companies to pay into environmental restoration funds to offset development on public lands, a department spokeswoman said.

The so-called compensatory mitigation [practice](#), which involves companies that have damaged public lands during development to pay to replace or maintain other natural areas, will now be voluntary, said Interior spokeswoman Faith Vander Voort. The policy switch comes after Interior announced widespread changes on how it enforces the Endangered Species Act.

"We are not revoking existing plans," Vander Voort said. "In the future, they are voluntary."

Interior's latest change to it was first reported by Bloomberg.

Interior's Fish and Wildlife Service sought public opinion on how to change its compensatory mitigation policy [in January](#).

**WHAT'S NEXT:** Fish and Wildlife plans to officially post in the Federal Register its proposed changes to the ESA on Wednesday.

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## **Armed Services leaders roll out compromise NDAA [Back](#)**

By Connor O'Brien and Gregory Hellman | 07/23/2018 06:52 PM EDT

Leaders of the House and Senate Armed Services committees on Monday rolled out compromise defense policy legislation that would continue Republican-led efforts to grow the military and limit transfers of the F-35 Joint Strike Fighter to Turkey.

The final fiscal 2019 National Defense Authorization Act, however, would also jettison contentious efforts to reimpose sanctions on the Chinese telecom firm ZTE and limit endangered species protections for the greater sage grouse.

The compromise, outlined by senior Armed Services aides, was hammered out in a brisk fashion by committee leaders, wrapping up only two weeks after the joint conference committee appointed to negotiate it first met.

The legislation could be filed as early as Monday. The House is expected to vote on the measure this week with the Senate to follow, the aides told reporters.

If passed and signed by President Donald Trump soon, the legislation, [H.R. 5515 \(115\)](#), would be the first defense policy bill in more than two decades to be enacted before the Oct. 1 start of the fiscal year.

Negotiators made quick work of the bill in part because, unlike previous years, lawmakers weren't wrangling over the defense budget topline. A two-year budget deal hammered out earlier this year massively increased defense spending through fiscal 2019.

The bill is named for Senate Armed Services Chairman [John McCain](#) (R-Ariz.), a top defense hawk who has been at home in Arizona as he battles brain cancer.

McCain, Senate Armed Services ranking Democrat [Jack Reed](#) (R-I.), Sen. [Jim Inhofe](#) (R-Okla.) and House Armed Services Chairman [Mac Thornberry](#) (R-Texas) hailed the completion of conference in a joint statement.

"This legislation will strengthen our military's readiness, provide our troops a pay raise, support effective implementation of the National Defense Strategy, drive further innovation in emerging technologies to secure our military advantage, and continue to reform the Department of Defense," the four conferees said.

House Armed Services ranking Democrat [Adam Smith](#) of Washington state did not sign on to the statement.

In all, the bill would authorize a \$717 billion national defense budget topline. That includes \$616.9 billion for the base Pentagon budget and \$21.9 billion for nuclear weapons programs under the Energy Department. The bill would also authorize \$69 billion for war costs under the special Overseas Contingency Operations account.

A summary of the legislation from House Armed Services Republicans is [here](#).

It also includes compromises on two issues outside the jurisdiction of the Armed Services panels that emerged as some of the more contentious in the conference.

The bill would impose a governmentwide prohibition on procurement of equipment and services from the Chinese firms ZTE and Huawei. But it does not include provisions that would reinstate sanctions against ZTE and undo a deal the company recently cut with the Commerce Department.

The measure also includes a package to broaden the powers of the Committee on Foreign Investment in the U.S., which reviews acquisitions and mergers involving foreign companies that may have national security implications.

The final bill would grow the military services by 15,600 active-duty troops, matching the Pentagon request and the House-passed bill. The Senate had pressed to grow the military at a smaller rate in the new fiscal year.

The legislation would also authorize 13 new Navy battle force ships, matching the House proposal. In addition to the Navy request for 10 new ships, lawmakers added two littoral combat ships and authorized a new aircraft carrier.

The bill meets the president's requests by authorizing 77 F-35 Joint Strike Fighters. And it bucked a Senate measure that would have reduced the authorization by two fighters and realigned funding for the extra two aircraft toward sustainment costs, amid concerns the Pentagon cannot afford to maintain the fifth-generation fighter.

Additionally, the bill would bar the transfer of F-35s to Turkey until the government reports on Turkey's behavior, including an assessment of its participation in the F-35 as well as the risks that would be posed by Turkey's deployment of the Russian S-400 air and missile defense system.

Defense Secretary Jim Mattis urged Congress last week not to bar Turkey from participating in the F-35 program, arguing to do so would cause an international supply chain disruption.

The new defense policy bill would also authorize funding for the Advanced Battle Management System, which the Air Force has proposed to replace the Joint Surveillance Target Attack Radar aircraft, but with several caveats.

Negotiations pitted congressional members from Georgia, where JSTARS is based, against each other. The House, backed by Rep. Austin Scott (R-Ga.), favored requiring the Air Force to move forward with the JSTARS recapitalization program. But the Senate, led by Sen. David Perdue (R-Ga.), aimed to boost funding for ABMS while barring the Air Force from retiring legacy JSTARS.

The final bill would prohibit JSTARS' retirement until 2028, or when ABMS reaches specific operational benchmarks. Additionally, the Defense secretary must develop and implement a strategy for maintaining the legacy JSTARS fleet while it moves forward with ABMS.

Additionally, the Air Force must make no fewer than six JSTARS aircraft available to combatant commanders beginning in 2020.

The NDAA would create a sub-unified space command under the U.S. Strategic Command, as well as aim to harmonize the space acquisition process.

It would also require the Air Force to submit a plan for space cadre development. All those reforms follow the president's order that the military create a stand-alone Space Force, despite previous opposition by Pentagon leaders.

The conferees also fenced 15 percent of funding for the Pentagon's controversial Joint Enterprise Defense Infrastructure cloud computing initiative until the Pentagon reports on the cloud computing initiative.

The JEDI initiative has faced criticism for the Pentagon's plan to contract with one company and for alleged bias toward Amazon Web Services.

Conferees also ditched controversial environmental riders that have bogged down talks in previous years. The House-passed bill included Republican-backed provisions that would limit endangered species protections for the greater sage grouse and lesser prairie chicken. The Senate, by contrast, steered clear of the issue.

Other key provisions of the compromise outlined by senior Armed Services aides would:

- Give the Pentagon chief management officer authority over the so-called Fourth Estate agencies that don't fall under the military services, but would not eliminate the Washington Headquarters Services.

- Authorize \$300 million for the Air Force light attack aircraft experiment.

- Provide waivers for future sanctions on third-party countries doing business with Russia under the Countering America's Adversaries Through Sanctions Act, if that country is taking steps to distance itself from the Russian defense and intelligence sectors.

- Authorize \$6.3 billion for the European Deterrence Initiative.

- Approve new submarine-launched low-yield nuclear weapons, but still require congressional authorization of new weapons.

- Support a military parade ordered by Trump, but would allow the Defense secretary to withhold equipment if he judges it would undermine military readiness.

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**Lee balks at flood insurance extension, urging reforms as deadline looms** [Back](#)

By Zachary Warmbrodt | 07/24/2018 06:52 PM EDT

Sen. [Mike Lee](#) is refusing to accept a straight, short-term extension of the National Flood Insurance Program before it expires next week, making the Utah Republican a potential speed bump for lawmakers trying to avert a lapse.

While there is broad, bipartisan support in the Senate for extending the program, an objection by Lee could force the Senate to burn time before the NFIP expires on July 31.

"Sen. Lee believes that another reformless extension would only enable a failed federal program and is looking at options to force reform before the deadline," the senator's spokesman, Conn Carroll, said.

Lee is shaping up to be an important ally for House Financial Services Chairman [Jeb Hensarling](#). The Texas Republican is [opposing](#) a [bill](#) scheduled for a House vote tomorrow that would extend the NFIP to Nov. 30

without changes that he has sought for the heavily indebted program, which he says encourages people to live in harm's way.

"I have no doubt this thing will be voted 'aye,' but it shouldn't be, and it's a sad day for the House," Hensarling said on the floor on Tuesday. He spoke against the bill as Republicans and Democrats took to the floor to defend extending the program.

House Republican sources said they expected the bill to have the votes it needed to pass, but there were questions today about how much support it would get. The National Taxpayers Union called on lawmakers to reject the bill, and Heritage Action said it too opposed a straight extension of the program.

A strong showing against the bill, even if it doesn't tank the legislation, could strengthen the hand of Lee and other Senate conservatives who are pushing for changes.

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